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Secrt. II-37—100,000—21-8-43.

M

Public Works (1948) Department.

PW SERIES.

G.O. No. 1307

Dated 15-4-48

[Despatch Abstract.]

Assessment - Charges for water drawn for Industrial purposes - Enhancement Ordered.

GOVERNMENT OF MADRAS.
Abstract.

Assessment - Charge for water drawn for Industrial purposes - Enchancement - Ordered.

-z-z-z

at the revised rate of Rs.6/- per 100 c. yds. He has suggested that a separate low rate might be fixed in the case of rice mills and the minimum charge in their case might continue as Rs.50/- per annum.

4. The Government have examined the whole question thoroughly. They consider that the water charges constitute an inconsiderable portion of the total working cost of Industries and that doubling of the present rate would make little difference to the industries whereas the extra income to Government will not be insignificant. They accordingly direct that the rates for water drawn for all types of industrial uses from irrigation sources and navigation canals, be raised to Rs.6/- per 1000 c. yds. ; Subject to a minimum charge of Rs.100/- per annum, the rate being applicable to rice-mills and the railways also. If in the case of any industry to be started in future a concessional rate is desired and applied for the Government will be prepared to consider the question. The existing rate of Re.1/- per 1000 c. yds. charged for water supplied to local bodies mainly for domestic purposes will, however, continue.

5. The revised rates will have effect from 1 -4-48. But, if any stipulations of notice in this regard have been made in the agreements entered into with particular industrial concerns, steps should be taken by giving necessary notices to five effect to the new rates from the earliest date possible after 1-4-48.

/By Order of His Excellency the Governor/

Sd. x x x
Secretary to Government.

To:
The Chief Engineer (Irrigation).
The Board of Revenue.
The Accountant General through Finance.

Copy to:
The Director of Industries and Commerce.
The Revenue Department.
The Development.
The Finance.
The Local Administration Department.
The Food Department.

/True Copy/

R. Thiagarajan 1.2.54
Office Assistant,
MADRAS RECORD OFFICE.

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PUBLIC WORKS DEPARTMENT.

From

A.R.Venkatachari,B.E.,M.I.E.,(Ind.)
M.An.Soc.,C.E.,I.S.E.,
Chief Engineer for Irrigation,
Chepauk: Madras.

To
The Secretary to
Government,
Public Works Department,
Fort St. George,
M a d r a s.

Letter No.18/47-A-31 dated 4th November 1949.

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Sir,

Sub: Assessment - Charge for water drawn for industrial purposes - Concessional rate for water taken for cooling purposes and returned undiminished and unpolluted Ordered.

Ref :Government Memorandum No.1740-N/49-8 dated 12-5-49.

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In the memorandum cited, Government have directed that the agreement with each concern should contain a penalty clause against the letting into the Government source of polluted water as a safeguard from the public health and agricultural point of view. I invite reference to the Standard form of agreement for the use of water for industrial purposes approved in G.O.No. 1840, Revenue, dated 2-8-40. Clause 3 (f) of the agreement already prohibits the licensee from discharging impure water or any substance of fluid which will prejudicially affect the canal or water etc., Condition 4 of the agreement gives power to Government to determine the agreement or cut off supply for breach of any of the convenants of the agreement by the licensee. Therefore, for breach of the convenant 3 (f), Government may determine the agreement or cut off water supply. No further penalty clause would therefore seem necessary.

* therein or rendered such water in any way unfit for domestic purposes.

I may, in this connection, point out that legal opinion obtained in connection with the revision of clause 6 (c) of the Standard form agreement was against the incorporation any "penal" clause as such, as what Government were entitled to were only " liquidated damages" and not any arbitrary penalty- vide the note enclosed to the Government Revenue Department Memorandum No.3638 E/38-9 dated 29-9-39, copy enclosed for ready reference. Therefore the introduction of a penalty clause as such may not be legally valid. If however necessary the Government Solicitor will be consulted to draft a suitable clause. I request clarification of Government's intentions in the matter.

Sd. x x x
Chief Engineer for Irrigation.

Encl: Copy of Government Memo & Note.
Copy to the Board of Revenue.
Encl: as above:

/ true copy /

PUBLIC WORKS (N).

Memorandum No. 5769 N/49-3 dated 6-1-50.

Sub: Assessment - Charge for water drawn for industrial purposes - concessional rate for water taken for cooling purposes and returned undiminished and unpollutted.

Ref: Government Memorandum No.1740 N/49-8 PW d/12-5-49 From the C.E.P.W.D.Lr.No.18/47 A31 d/4-4-49.

The Government agree with the Chief Engineer, Public Works Department, that in view of the provisions in clauses 3 (f) 4 and 6 (e) of the Standard form of agreement approved in G.O.Ms.1840 Revenue, dated 2-8-40, no further penalty clause need be included in the agreement with the industrial concerns .

Sd.. x x x

To:
Chief Engineer, Public Works Department, Ir. Br.
Copy to:
The Board of Revenue.
The Director of Industries and Commerce.
The Accountant General.
The Revenue.
The Development.
The Education and Public Health.
The Finance.

/ true copy /

R. Thiagarajan 1.2.50
Office Assistant,
MADRAS RECORD OFFICE.

rds/

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